§ 1.90

the provisions of section 801 (a), (b), and (c).

§ 1.90 Notice of sampling.

When a sample of an article offered for import has been requested by the district director, the collector of customs having jurisdiction over the article shall give to the owner or consignee prompt notice of delivery of, or intention to deliver, such sample. Upon receipt of the notice, the owner or consignee shall hold such article and not distribute it until further notice from the district director or the collector of customs of the results of examination of the sample.

§1.91 Payment for samples.

The Food and Drug Administration will pay for all import samples which are found to be in compliance with the requirements of the Federal Food, Drug, and Cosmetic Act. Billing for reimbursement should be made by the owner or consignee to the Food and Drug Administration district headquarters in whose territory the shipment was offered for import. Payment for samples will not be made if the article is found to be in violation of the act, even though subsequently brought into compliance under the terms of an authorization to bring the article into compliance or rendered not a food, drug, device, or cosmetic as set forth in 81.95.

§1.94 Hearing on refusal of admission.

(a) If it appears that the article may be subject to refusal of admission, the district director shall give the owner or consignee a written notice to that effect, stating the reasons therefor. The notice shall specify a place and a period of time during which the owner or consignee shall have an opportunity to introduce testimony. Upon timely request giving reasonable grounds therefor, such time and place may be changed. Such testimony shall be confined to matters relevant to the admissibility of the article, and may be introduced orally or in writing.

(b) If such owner or consignee submits or indicates his intention to submit an application for authorization to relabel or perform other action to bring the article into compliance with

the act or to render it other than a food, drug, device, or cosmetic, such testimony shall include evidence in support of such application. If such application is not submitted at or prior to the hearing, the district director shall specify a time limit, reasonable in the light of the circumstances, for filing such application.

§1.95 Application for authorization to relabel and recondition.

Application for authorization to relabel or perform other action to bring the article into compliance with the act or to render it other than a food, drug, device or cosmetic may be filed only by the owner or consignee, and shall:

- (a) Contain detailed proposals for bringing the article into compliance with the act or rendering it other than a food, drug, device, or cosmetic.
- (b) Specify the time and place where such operations will be carried out and the approximate time for their completion.

§ 1.96 Granting of authorization to relabel and recondition.

- (a) When authorization contemplated by §1.95 is granted, the district director shall notify the applicant in writing, specifying:
- (1) The procedure to be followed;
- (2) The disposition of the rejected articles or portions thereof;
- (3) That the operations are to be carried out under the supervision of an officer of the Food and Drug Administration or the U.S. Customs Service, as the case may be:
- (4) A time limit, reasonable in the light of the circumstances, for completion of the operations; and
- (5) Such other conditions as are necessary to maintain adequate supervision and control over the article.
- (b) Upon receipt of a written request for extension of time to complete such operations, containing reasonable grounds therefor, the district director may grant such additional time as he deems necessary.
- (c) An authorization may be amended upon a showing of reasonable grounds therefor and the filing of an amended application for authorization with the district director.

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(d) If ownership of an article covered by an authorization changes before the operations specified in the authorization have been completed, the original owner will be held responsible, unless the new owner has executed a bond and obtained a new authorization. Any authorization granted under this section shall supersede and nullify any previously granted authorization with respect to the article.

[42 FR 15553, Mar. 22, 1977, as amended at 54 FR 9033, Mar. 3, 1989]

§ 1.97 Bonds.

(a) The bonds required under section 801(b) of the act may be executed by the owner or consignee on the appropriate form of a customs single-entry or term bond, containing a condition for the redelivery of the merchandise or any part thereof upon demand of the collector of customs and containing a provision for the performance of conditions as may legally be imposed for the relabeling or other action necessary to bring the article into compliance with the act or rendering it other than a food, drug, device, or cosmetic, in such manner as is prescribed for such bond in the customs regulations in force on the date of request for authorization. The bond shall be filed with the collector of customs.

(b) The collector of customs may cancel the liability for liquidated damages incurred under the above-mentioned provisions of such a bond, if he receives an application for relief therefrom, upon the payment of a lesser amount or upon such other terms and conditions as shall be deemed appropriate under the law and in view of the circumstances, but the collector shall not act under this regulation in any case unless the district director is in full agreement with the action.

§ 1.99 Costs chargeable in connection with relabeling and reconditioning inadmissible imports.

The cost of supervising the relabeling or other action in connection with an import of food, drugs, devices, or cosmetics which fails to comply with the Federal Food, Drug, and Cosmetic Act shall be paid by the owner or consignee who files an application requesting such action and executes a bond, pursu-

ant to section 801(b) of the act, as amended. The cost of such supervision shall include, but not be restricted to, the following:

- (a) Travel expenses of the supervising officer.
- (b) Per diem in lieu of subsistence of the supervising officer when away from his home station, as provided by law.
- (c) The charge for the services of the supervising officer, which shall include administrative support, shall be computed at a rate per hour equal to 266 percent of the hourly rate of regular pay of a grade GS-11/4 employee, except that such services performed by a customs officer and subject to the provisions of the act of February 13, 1911, as amended (sec. 5, 36 Stat. 901, as amended (19 U.S.C. 267)), shall be calculated as provided in that act.

(d) The charge for the service of the analyst, which shall include administrative and laboratory support, shall be computed at a rate per hour equal to 266 percent of the hourly rate of regular pay of a grade GS-12/4 employee. The rate per hour equal to 266 percent of the equivalent hourly rate of regular pay of the supervising officer (GS-11/4) and the analyst (GS-12/4) is computed as follows:

	Hours
Gross number of working hours in 52 40-hr weeks Less: 9 legal public holidays—New Years Day, Wash- ington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day,	2,080
Thanksgiving Day, and Christmas Day	72
Annual leave—26 d	208
Sick leave—13 d	104
Total	384
Net number of working hours	1,696
Gross number of working hours in 52 40-hr weeks Working hour equivalent of Government contributions for employee retirement, life insurance, and health benefits computed at 8½ pct. of annual	2,080
rate of pay of employee	176
Equivalent annual working hours	2,256
Support required to equal to 1 man-year Equivalent gross annual working hours	2,256
charged to Food and Drug appropriation	4,512

Note: Ratio of equivalent gross annual number of working hours charged to Food and Drug appropriation to net number of annual working hours 4,512/1,696=266 pct.

(e) The minimum charge for services of supervising officers and of analysts shall be not less than the charge for 1